

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3346 - SB 3678

March 16, 2012

SUMMARY OF BILL: Requires the county assessor to consider post-dated appraisals submitted by property owners who failed to appear before the county board of equalization as a basis for altering subsequent assessments. In the event the assessor rejects the value determined by the appraisal, the assessor must provide an explanation of the rejection in writing. The assessor will be required to provide each property owner submitting a post-dated appraisal with an explanation of the procedures for appeal.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures - \$10,000*

Assumptions:

- Pursuant to Tenn. Code Ann. § 67-5-1407 (a)(2) during an appeal, the complainant may bring evidence before the county board of equalization. It is assumed the evidence permitted includes an alternate appraisal.
- It is assumed the county assessor of property will not be required to accept the post-dated appraisals, only to consider the appraisals as a basis for changing the previously assessed value.
- The number of property owners who supply alternate appraisals for appeal of an assessment before or after the meeting of the county board of equalization convenes is not expected to significantly increase; therefore, any change to local property tax revenue is estimated to be not significant..
- It is assumed there may be an increase to local government expenditures regarding the administrative burdens that will be placed on county assessors for notifications of rejections and explanation of procedures for appeal.
- It is unknown how many of these notifications will need to be sent, or the format that will be used for explanation of the appeals process; however, the total increase in local government expenditures for notifications is reasonably estimated to be \$10,000 statewide.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jrh